

**Financial Results for
the First Quarter of the Fiscal Year
ending March 31, 2008**

NEC Mobiling, Ltd.

Note: This document has been prepared as a guide to non-Japanese analysts for their convenience only and is a translation summary of the Japanese language original. The company does not assure the accuracy of the translation. All numbers are rounded off to the nearest unit in accordance with standard Japanese practice. This document contains forward-looking statements that are based on assumptions and projection at the date of publication. A number of factors could cause actual results to differ materially from expectations.

Financial Results for the First Quarter of the Fiscal Year ending March 31, 2008

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U.S. GAAP Accounting Principles: Not adopted

Item(s) in Preparation Method for Quarterly Financial Results: The simplified method is applied to tax effect accounting

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Listed Exchanges: Tokyo Stock Exchange

Stock Code: 9430

Homepage: <http://www.nec-mobiling.com/>

1. Financial Results for the First Quarter ended June 30, 2007

(1) Business Results

(Units: Millions of yen)

	Three months ended June 30, 2006		Three months ended June 30, 2007		Full Year ended March 31, 2007
	% change		% change		
Net Sales	28,853	(0.2%)	30,188	4.6%	130,253
Operating Income	1,193	108.0%	1,459	22.3%	5,605
Ordinary Income	1,205	107.2%	1,489	23.5%	5,641
Net Income	827	145.0%	856	3.5%	3,222
Net Income per Share (Yen)	56.94		58.91		221.76
Net Income per Share, fully diluted (Yen)	--		--		--

Note: Percentages for Net Sales, Operating Income, Ordinary Income and Net Income represent change from the same term of the previous fiscal year.

(2) Financial Position

(Units: Millions of yen)

	As of June 30, 2006	As of June 30, 2007	As of March 31, 2007
Total Assets	51,239	53,848	61,832
Net Assets	24,479	27,093	26,573
Equity Ratio	47.8%	50.3%	43.0%
Net Assets per Share (Yen)	1,684.78	1,864.71	1,828.94

(3) Cash Flows

(Units: Millions of yen)

	Three months ended June 30, 2006	Three months ended June 30, 2007	Full Year ended March 31, 2007
Net Cash provided by (used in) Operating Activities	1,401	(117)	5,580
Net Cash used in Investing Activities	(112)	(248)	(1,304)
Net Cash used in Financing Activities	(268)	(352)	(653)
Cash and Cash Equivalents at end of Term	14,899	16,786	17,501

2. Forecast for the Fiscal Year ending March 31, 2008

(Units: Millions of yen)

	First Half ending Sept. 30, 2007	Full Year ending March 31, 2008
	% change	% change
Net Sales	58,000 (2.8%)	125,500 (3.6%)
Operating Income	2,400 3.0%	5,300 (5.4%)
Ordinary Income	2,450 6.7%	5,400 (4.3%)
Net Income	1,380 5.1%	3,050 (5.3%)
Net Income per share (Yen)	94.98	209.92

Notes: 1. Percentages for Net Sales, Operating Income, Ordinary Income and Net Income represent change from the same term of the previous fiscal year.

2. The above mentioned forecast was disclosed on May 14, 2007.

Forecasts related to future business performance, one aspect of the current strategies, plans and awareness at NEC Mobiling, Ltd. Described in these materials, involve risks and uncertain factors. It should be noted that actual business performance may differ greatly from these forecasts due to a variety of factors. Primary factors with an impact on actual business performance include economic conditions and social trends affecting the scope of business of the Company, trend in demand for products and services provided by the Company, pressures for price reductions due to enhanced competition, and the ability of the Company's technological capability to respond to the customer's requests. Factors with an impact on business performance are not limited to those herein described.

Non-consolidated Financial Statements

(1) Condensed Balance Sheets

(Units: Millions of yen)

Items	Term	As of June 30, 2006		As of June 30, 2007		Change	As of March 31, 2007		Change
		Amount	%	Amount	%	Amount	Amount	%	Amount
Assets									
Cash on hand and in banks		10,899		10,787		(112)	11,501		(714)
Notes and accounts receivable, trade		14,607		14,231		(376)	19,546		(5,315)
Marketable securities		--		999		999	999		--
Inventories		7,154		5,871		(1,283)	4,914		957
Accounts receivable, other		5,664		7,368		1,704	10,227		(2,859)
Affiliated company deposits		4,000		5,000		1,000	5,001		(1)
Other		1,566		1,846		280	1,813		33
Current assets		43,890	85.7	46,102	85.6	2,212	54,001	87.3	(7,899)
Property and equipment		1,157	2.2	1,295	2.4	138	1,304	2.1	(9)
Intangible assets		1,069	2.1	1,541	2.9	472	1,588	2.6	(47)
Investments and other Assets		5,123	10.0	4,910	9.1	(213)	4,939	8.0	(29)
Fixed assets		7,349	14.3	7,746	14.4	397	7,831	12.7	(85)
Total assets		51,239	100.0	53,848	100.0	2,609	61,832	100.0	(7,984)
Liabilities									
Notes and accounts payable, trade		14,119		12,662		(1,457)	16,069		(3,407)
Accrued corporate taxes		569		557		(12)	1,637		(1,080)
Accounts payable, other		7,228		8,531		1,303	12,487		(3,956)
Other		1,344		1,294		(50)	1,410		(116)
Current liabilities		23,260	45.4	23,044	42.8	(216)	31,603	51.1	(8,559)
Accrued pension and severance costs		3,276		3,468		192	3,434		34
Deposits received for guarantee		224		243		19	222		21
Long-term liabilities		3,500	6.8	3,711	6.9	211	3,656	5.9	55
Total liabilities		26,760	52.2	26,755	49.7	(5)	35,259	57.0	(8,504)
Net assets									
Common stock		2,371	4.6	2,371	4.4	--	2,371	3.8	--
Additional paid-in capital		2,707	5.3	2,707	5.0	--	2,707	4.4	--
Retained earnings		19,443	38.0	22,003	40.9	2,560	21,510	34.8	493
Treasury stocks		--	--	(0)	(0.0)	--	(0)	(0.0)	--
Total shareholders' equity		24,521	47.9	27,081	50.3	2,560	26,588	43.0	493
Unrealized gains (losses) on marketable securities		(42)	(0.1)	12	0.0	54	(15)	(0.0)	27
Valuation and translation adjustments		(42)	(0.1)	12	0.0	54	(15)	(0.0)	27
Total net assets		24,479	47.8	27,093	50.3	2,614	26,573	43.0	520
Total liabilities and net assets		51,239	100.0	53,848	100.0	2,609	61,832	100.0	(7,984)

(2) Condensed Statements of Income

Items \ Term	Three months ended June 30, 2006		Three months ended June 30, 2007		Change		Full Year ended March 31, 2007	
	Amount	%	Amount	%	Amount	%	Amount	%
Net sales	28,853	100.0	30,188	100.0	1,335	4.6	130,253	100.0
Cost of sales	25,455	88.2	26,700	88.4	1,245		115,913	89.0
Gross profit	3,398	11.8	3,488	11.6	90	2.7	14,340	11.0
Selling, general and administrative expenses	2,205	7.7	2,029	6.8	(176)		8,735	6.7
Operating income	1,193	4.1	1,459	4.8	266	22.3	5,605	4.3
Non-operating income	31	0.1	41	0.1	10		154	0.1
Non-operating expenses	19	0.0	11	0.0	(8)		118	0.1
Ordinary income	1,205	4.2	1,489	4.9	284	23.5	5,641	4.3
Extraordinary gains	312	1.1	--	--	(312)		312	0.2
Extraordinary losses	53	0.2	--	--	(53)		320	0.2
Income before income taxes	1,464	5.1	1,489	4.9	25	1.7	5,633	4.3
Corporate, inhabitants and enterprise taxes	637	2.2	633	2.1	(4)		2,597	2.0
Deferred income taxes	--	--	--	--	--		(186)	(0.2)
Net income	827	2.9	856	2.8	29	3.5	3,222	2.5

(3) Condensed Statements of Cash Flows

(Units: Millions of yen)

Items	Term	Three months ended June 30, 2006	Three months ended June 30, 2007	Change	Full Year ended March 31, 2007
Cash flow from operating activities					
Income before income taxes		1,464	1,489	25	5,633
Depreciation		163	181	18	671
Gain on transfer of business		(312)	--	312	(312)
Decrease in notes and accounts receivable, trade		5,811	5,315	(496)	872
Increase in inventories		(2,348)	(1,039)	1,309	(108)
Decrease (increase) in accounts receivable, other		2,535	2,859	324	(2,028)
(Decrease) increase in notes and accounts payable, trade		(1,699)	(3,434)	(1,735)	258
(Decrease) increase in accrued expenses		(2,653)	(3,956)	(1,303)	2,605
Other		(138)	114	252	238
Sub-total		2,823	1,529	(1,294)	7,829
Payments for income taxes and other		(1,447)	(1,680)	(233)	(2,368)
Other		25	34	9	119
Net cash provided by (used in) operating activities		1,401	(117)	(1,518)	5,580
Cash flow from investing activities					
Purchases of property and equipment		(143)	(151)	(8)	(577)
Purchases of intangible assets		(194)	(188)	6	(941)
Proceeds from transfer of business		226	93	(133)	226
Other		(1)	(2)	(1)	(12)
Net cash used in investing activities		(112)	(248)	(136)	(1,304)
Cash flows from financing activities					
Dividends paid		(268)	(352)	(84)	(653)
Purchase of treasury stock		--	--	--	(0)
Net cash used in financing activities		(268)	(352)	(84)	(653)
Effect of exchange rate changes on cash and cash equivalents		(2)	2	4	(2)
Increase (decrease) in cash and cash equivalents		1,019	(715)	(1,734)	3,621
Cash and cash equivalents at beginning of term		13,880	17,501	3,621	13,880
Cash and cash equivalents at end of term		14,899	16,786	1,887	17,501

(4) Business Segment Information

(Units: Millions of yen)

		Three months ended June 30, 2006		Three months ended June 30, 2007		Change	Full Year ended March 31, 2007	
		Amount	%	Amount	%	%	Amount	%
Mobile Sales Business	Net sales	23,139	80.2	25,224	83.6	9.0	104,762	80.4
	Operating income	724	60.7	288	19.7	(60.3)	2,230	39.8
	%	3.1%		1.1%			2.1%	
Mobile Integration & Support Business	Net sales	5,714	19.8	4,964	16.4	(13.1)	25,491	19.6
	Operating income	469	39.3	1,171	80.3	149.8	3,375	60.2
	%	8.2%		23.6%			13.2%	
Total	Net sales	28,853	100.0	30,188	100.0	4.6	130,253	100.0
	Operating income	1,193	100.0	1,459	100.0	22.3	5,605	100.0
	%	4.1%		4.8%			4.3%	